

HOUSE No. 1935

By Ms. Bunte of Boston, petition of Doris Bunte, William F. Galvin, Sandra Graham, Melvin H. King and Bill Owens for legislation to require a certain additional disclosure from creditors retaining a security interest. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-One.

AN ACT REQUIRING A CERTAIN ADDITIONAL DISCLOSURE FROM CREDITORS RETAINING A SECURITY INTEREST.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Subsection (b) of Section 7 of Chapter 140C of the General
2 Laws, as most recently amended by Section 7 of Chapter 559 of the
3 Acts of 1978, is hereby further amended by inserting the following
4 clause:
5 (9) Whenever a creditor shall retain a security interest, in any
6 property subject to a credit sale, it shall be disclosed (in lay lan-
7 guage) that in the event that value of the property which secures
8 payment is impaired, prior to satisfaction of the debt, it is custom-
9 ary for underwriters of insurance to make settlement in the names
10 of the customer and creditors, jointly.

